IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

UNITED STATES OF AMERICA	:	**Case No.** 1:18CR-151
	:	**INFORMATION**
	:	J. BARRETT
vs.	:	**18 U.S.C. § 287**
	:	
KPMD, INC.	:	
	:	

THE UNITED STATES ATTORNEY CHARGES:

At all times relevant to this Information:

1. The Medicare Program ("Medicare") is a federal health care benefit program providing benefits to persons who are over the age of sixty-five and some persons under the age of sixty-five who are blind or disabled. Medicare is administered by the Centers for Medicare and Medicaid Services ("CMS"), a federal agency under the United States Department of Health and Human Services ("HHS").

2. The Ohio Medical Assistance Program ("Medicaid") is a health care benefit program jointly funded by the State of Ohio and the federal government, through HHS. The Medicaid program helps pay for reasonable and necessary medical procedures and services provided to individuals who are deemed eligible under state low-income programs.

3. On February 17, 2009, the American Recovery and Reinvestment Act of 2009 ("Recovery Act") was signed into law. Parts of the Recovery Act are together cited as the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act").

4. Title IV, Division B of the HITECH Act establishes incentive payments under the Medicare and Medicaid programs for eligible professionals and eligible hospitals ("EHs") that meaningfully use Certified Electronic Health Record Technology ("CEHRT"). The goal of these provisions is to promote the adoption of EHR technology and electronic exchange of health information to improve the quality and cost of health care in the United States.

5. Under the Medicare EHR Incentive Program, eligible hospitals can qualify for incentive payments from CMS if they successfully demonstrate meaningful use of CEHRT. Incentive payments to eligible hospitals are based on a number of factors.

6. Consistent with the HITECH Act, Ohio has implemented an Ohio Medicaid EHR Incentive Program. Under this Medicaid EHR Incentive Program, eligible Ohio hospitals can qualify for incentive payments. To receive incentive payments under the Medicare and Medicaid EHR Incentive Programs, eligible hospitals must attest to the meaningful use of a certified EHR by meeting and reporting on thresholds for a number of objectives.

7. CMS is charged with managing the Medicare and Medicaid EHR Incentive Programs, and it has established the objectives for meaningful use that eligible professionals and hospitals must meet in order to receive an incentive payment. Meaningful use includes both a core set and a menu set of objectives that are specific to eligible professionals or eligible hospitals. To qualify for an incentive payment, an eligible hospital must meet certain defined objectives.

8. On September 12, 2011, Defendant KPMD, Inc. (through KPMD.biz) entered into a contact with the Southwest Regional Medical Center ("SRMC") in the Southern District of Ohio. As part of the contract, KPMD agreed to implement the KPMD software program for electronic health records. In exchange, SRMC assigned its CMS incentive payments to KPMD.

9. On April 9, 2013, a KPMD employee submitted an attestation to CMS for the period of October 2012 through December 2012. In the attestation, KPMD falsely attested that the hospital had met the criteria for Stage 1 of the EHR implementation in the emergency room department during the reporting period.

10. Due to this attestation, CMS wired an incentive payment on May 28, 2013 in the amount of $968,760.

11. In late September 26, 2014, SRMC closed.

12. On October 1, 2014, an employee of KPMD filed a second attestation with CMS on behalf of SRMC. The second attestation knowingly and falsely claimed that the EHR criteria were satisfied for the SRMC emergency room for the period from October 2013 through December 2013.

13. As a result of the second false attestation, Ohio Medicaid made a payment of $379,400 on November 3, 2014 CMS-Medicare made a payment of $328,692 on November 25, 2014.

COUNT ONE (False Claims Act)

14. The preceding paragraphs 1-11 are fully incorporated and restated herein.

15. On or about April 9, 2013, in the Southern District of Ohio, the defendant, KPMD, Inc., made and presented to CMS-Medicare a claim upon and against the United States Department of Health and Human Services, that is, an attestation that the SRMC hospital had met the criteria for Stage 1 of the EHR implementation, knowing that the claim was false and fraudulent in that the EHR system had not been implemented in SRMC's emergency department and SRMC did not meet the Stage 1 criteria.

All in violation Title 18, United States Code Section 287.

COUNT TWO (False Claims Act)

16. The preceding paragraphs 1-13 are fully incorporated and restated herein.

17. On or about October 1, 2014, in the Southern District of Ohio, the defendant, KPMD, Inc., made and presented to CMS-Medicare a claim upon and against the United States Department of Health and Human Services, that is, an attestation that the SRMC hospital had met the criteria for Stage 1 of the EHR implementation, knowing that the claim was false and fraudulent in that the EHR system had not been implemented in SRMC's emergency department SRMC did not meet the Stage 1 criteria.

All in violation Title 18, United States Code Section 287.

BENJAMIN C. GLASSMAN
UNITED STATES ATTORNEY

TIMOTHY S. MANGAN, (0069287)
Assistant United States Attorney

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